



# Department of Justice

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**FORMER OWNER OF ILLINOIS TECHNOLOGY COMPANY SENTENCED TO  
SERVE 30 MONTHS IN PRISON FOR ROLE IN MULTI-STATE SCHEME TO  
DEFRAUD FEDERAL E-RATE PROGRAM**

*Schools in Arkansas, Florida, Illinois and Louisiana Affected by Scheme*

WASHINGTON — A former owner of two Illinois-based technology companies was sentenced today to serve 30 months in prison for her participation in a conspiracy to defraud the federal E-Rate program, the Department of Justice announced. Gloria Harper was sentenced by U.S. District Court Judge Carl J. Barbier.

Harper was charged in U.S. District Court in New Orleans on Nov. 18, 2010, with conspiring to defraud the E-Rate program by providing bribes and kickbacks to school officials in Arkansas, Florida, Illinois and Louisiana. Harper pleaded guilty on June 2, 2011.

Including today's sentencing, as a result of the Antitrust Division's ongoing investigation into fraud and anticompetitive conduct in the E-Rate program, a total of seven companies and 24 individuals have pleaded guilty, been convicted at trial or entered civil settlements. Those companies and individuals have been sentenced to pay criminal fines and restitution totaling more than \$40 million. Nineteen individuals, including Harper, have been sentenced to serve prison time. In June 2011, Barrett C. White and Tyrone Pipkin, Harper's co-conspirators, were each sentenced to serve one year and one day in prison for their roles in the conspiracy.

According to court documents, Harper, former co-owner of Global Networking Technologies and former owner of Computer Training Associates, acting on behalf of these companies as well as on her own behalf, participated in the conspiracy beginning on or about December 2001 through September 2005. Harper conspired to provide bribes and kickbacks to school officials and employees responsible for the procurement of Internet access services at certain schools in Arkansas, Florida, Illinois and Louisiana. The department said that in return, those individuals ceded control of the E-Rate competitive bidding process to Harper and a co-conspirator, ultimately allowing them to ensure E-Rate contracts at these schools were awarded to their companies.

The schools and school districts affected by the conspiracy include: in Arkansas – Gould and Holly Grove public school districts; in Florida – Innovation Child Development Center and Innovation School of Excellence; in Illinois – Antioch Center, Fairfield Center, Ingleside Center,

St. Mary's Center, Waukegan Center, Zion Center and Niles Terrace Center; and in Louisiana – All Saints School, St. Augustine High School, St. David School and St. Monica School.

The E-Rate program was created by Congress in the Telecommunications Act of 1996, and is administered by the Universal Service Administrative Company, under the oversight of the Federal Communications Commission (FCC). The program provides subsidies to economically disadvantaged schools and libraries. Depending on the financial needs of the applicant schools, the program pays 20 to 90 percent of the cost for Internet access and telecommunications services, as well as internal computer and communications networks.

Today's sentencing resulted from an investigation by the Department of Justice Antitrust Division's Dallas Field Office, the FBI's Dallas Field Office and the FCC's Office of Inspector General, with assistance from the U.S. Attorney's Office for the Eastern District of Louisiana. Anyone with information concerning violations of the E-Rate program is urged to call the Antitrust Division's Dallas Field Office at 214-661-8600 or visit [www.justice.gov/atr/contact/newcase.htm](http://www.justice.gov/atr/contact/newcase.htm).

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